

<p style="text-align: center;"><b>Monthly Progress Report for Nightmute Bulk Fuel Upgrades</b></p>
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**Date: July 5, 2006**

**To: Brent Petrie  
Cc: Molly Sheldon**

**From: Ben Momblow  
Coffman Engineers, Inc.**

**Design**

Narrative Report Contents:

- Village & report period **Nightmute, June 2006**
- Work phase **Design- Community tank farm, AVEC standby generator**
- ID active project components **Bulk fuel only, standby genset**
  - **AVEC directed that the pipeline route should extend through the native allottee property adjacent to the proposed tank farm location.**
  - **Surveying subcontractor made a site visit to conduct the survey for the new tank farm location. They also surveyed the adjacent allottee property to aid in securing the pipeline easement/ROW.**
  - **The area adjacent to the store was identified as a possible location for the AVEC standby generator and laydown area. This area was also surveyed.**
- needs from AVEC team
  - **Need information from AVEC on size/location/configuration of laydown area and the location of the quarters and standby modules.**
  - **Also need weights, reactions, design criteria for the standby generator module, etc.**
  - **Updated fuel use information from the barge company.**
- Regulatory Agency progress **All permits were obtained for the intertie project construction and forwarded to AVEC and STG Inc.**
- Contract issues
  - scope changes **The survey of the native allottee was not included in the project scope.**
  - fee issues **We propose to continue work without amending the existing contract. We will continue to monitor our expended effort and notify AVEC as we approach the contract amount.**